

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce Department – M/s. Krishnapatnam Ultra Mega Power Project, Nellore District – Allotment of land to the extent of acres 1813.00 (A.P. Industrial Infrastructure Corporation Limited land acres 954 and APGENCO land acres 859) in the villages of Krishnapatnam, Nelatur and Pynampuram villages of Muthukur Mandal, Nellore District – Orders – Issued.

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INDUSTRIES & COMMERCE (INF) DEPARTMENT

G.O.Ms.No.270

Dated: 08.10.2008.

Read the following:

1. The CEO, M/s. Reliance Power, Navi Mumbai, Letter dt.25.6.08.
2. The CEO, M/s. Reliance Power, Navi Mumbai, Letter dt.30.7.08.
3. From the Managing Director, APGENCO Ltd., Lr.No.MD/SE/(C&I) Krishnapatnam/D.No.598/08, dt.16.8.08.
4. From the C&MD, APIIC, Letter No.60/CMD/ APIIC/08, dt.19.8.2008.

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ORDER:

The Chief Executive Officer, M/s. Reliance Power, Navi Mumbai in the references 1st and 2nd read above has informed Government that the Coastal Andhra Power Limited, a subsidiary of M/s. Reliance Power, is executing a 4000 MW Krishnapatnam Ultra Mega Power Project in the State of Andhra Pradesh with an expected investment of Rs. 20,000 crores. The Chief Executive Officer has stated that they have proposed to expand the capacity of the Coal based (imported coal) power plant alongside the Krishnapatnam Ultra Mega Power Project. The Chief Executive Officer has requested the Government for allotment of land to the extent of 2,500 acres in between the land of the APGENCO and the land allotted to two private companies viz., M/s. GVK and BBI Private Power Project Developers.

2. The Managing Director, APGENCO, in the letter, 3rd read above has informed Government that the APGENCO has acquired land about 2563 acres for establishment of Ultra Mega Power Project at Krishnapatnam which was awarded to M/s. Reliance Power by M/s. Power Finance Corporation through competitive tariff based bidding process and the company is requesting for allotment of another 2500 acres land to expand the capacity of the plant.

3. The Managing Director, APGENCO has further stated that an extent of Acs. 2843 land is available on the eastern side of the Buckingham Canal. Out of this land, private land to an extent of Acs. 1316.61 is under the possession of APGENCO in the villages of Krishnapatnam, Nelatur and Pynampuram of Muthukur Mandal, Nellore District and an extent of Acs. 1237.27 Government land is with the Andhra Pradesh Industrial Infrastructure Corporation Limited and 289.23 acres is the endowment land, which has already been given by Endowment Department for the Ultra Mega Power Project.

4. The private land Acs. 1316.61 was acquired by the then APSEB in the year 1994 for establishment of Coast Based Thermal Power Station near Krishnapatnam. As the proposed project could not be taken up for want of required funds by the then APSEB, Government of Andhra Pradesh has allotted the said land to two Independent Power Producers namely M/s. GVK and M/s. BBI on global tender basis.

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5. The private/ patta lands were acquired by the APSEB on payment of compensation to the land owners. As the Private Power Producers did not make any payment for the above said land and have not achieved the financial closure, the APSEB has not handed over possession of the land to the two companies and it is in the possession of the APGENCO only. The Managing Director, APGENCO has also stated that the Revenue Department in their G.O.Ms.No.193, dt. 19.2.2004 has directed that the assigned land of acres 92.14 and surplus land acres 1021.67 along with Government land of acres 215.62 totaling acres 1329.43 situated in Krishnapatnam, Nelatur and Pynampuram villages be alienated in favour of the Andhra Pradesh Industrial Infrastructure Corporation Limited for establishment of Industrial Park on payment of market value. As the Andhra Pradesh Industrial Infrastructure Corporation Limited has deposited an amount of Rs.4.60 crores with the District Collector, Nellore, the Collector, Nellore district has handed over possession of 1329.41 acres of land to the Andhra Pradesh Industrial Infrastructure Corporation Limited.

6. With regard to the land under possession of the APGENCO, the Managing Director has informed that the Government have accepted "in-principle" for setting up of 1600 MW super critical thermal power project at Nellore in the first phase by the APGENCO and ultimately to be expanded to 4000 MW through Andhra Pradesh Power Development Company on 50:50 basis and subsequently, the Government in G.O.Ms.No.128, Energy (Pr.I) Department, dated: 12.12.2007 has directed the APGENCO to implement the above project and hold not less than 51% equity in the project and for the balance, it will approach A.P.DISCOMS and open market. He has further stated that the Government has directed the APGENCO to go on fast track mode and establish the first phase of 1600 MW immediately so as to commission the project in the 11th Plan Period to meet the growing power demand and accordingly, the APGENCO has decided to establish the 1st phase on the western side of the Buckingham Canal by acquiring 1326 acres private land so as to avoid any delays due to possible legal complications which may arise in future. However, the APGENCO has plans to establish another 3 x 800 MW (total 2400 MW) as directed by the Government in the 2nd stage Krishnapatnam expansion in the lands earlier earmarked to M/s. GVK and M/s. BBI and also in the land of Andhra Pradesh Industrial Infrastructure Corporation Limited. The Managing Director, APGENCO has stated that the Reliance Power is requesting for allotment of the same land.

7. The Managing Director, APGENCO has also stated that they have acquired private lands on payment of Market value of Rs.7.00 lakhs per acre in the year 2007 and if this land is proposed to allot to the Krishnapatnam Ultra Mega Power Project, the APGENCO has to drop its expansion proposal of 2400 MW.

8. The Managing Director, APGENCO has stated that the APGENCO has already given consent to transfer 434.64 acres land for Krishnapatnam Port company and M/s. LIDCAP for expansion of Port and establishment of International Leather Park. The APGENCO has also given consent to transfer 22.68 acres land for the existing Units Ultra Mega Power Project and thus, the APGENCO is having 859.31 acres land under its possession. He has further informed that the Endowments Department has recently requested them to fix a rate of Rs. 8.70 lakhs for the endowments land which in the close vicinity of the lands transferred.

9. The Managing Director, APGENCO has requested Government to take a decision on transfer of land acres 859 available with them by fixing an appropriate market value for the land, in the event of a decision is taken to allot the land to the Krishnapatnam Ultra Mega Power Project by treating the proposal of APGENCO for setting the 3 x 800 MW power project dropped.

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10. The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited in the letter 4th read above has conveyed consent for allotting a total extent of 954.36 acres land available in Krishnapatnam, Nelatur and Pynampuram villages for allotment to the Ultra Mega Power project on outright sale basis at a cost of Rs. 9.00 lakhs per acre.

11. The Government after careful consideration of the matter hereby issues the following orders.

1. To allot 1813 acres of land (APIIC land 954 acres and APGENCO land of 859 acres) to M/s. Krishnapatnam Ultra Mega Power Project on outright sale basis at a cost of Rs.9.00 lakh (Rupees nine lakh only) per acre.
2. APGENCO shall transfer 859 acres land in Krishnapatnam, Nelatur and Pynampuram villages of Nellore District to the A.P. Industrial Infrastructure Corporation Limited for allotment to M/s. Krishnapatnam Ultra Mega Power Project at a cost of Rs. 9.00 lakh (Rupees nine lakh only) per acre payable to APGENCO.
3. The A.P. Industrial Infrastructure Corporation Limited shall transfer the sale proceeds to the APGENCO for their lands acres 859 transferred to the A.P. Industrial Infrastructure Corporation Limited.

12. The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited, and the Managing Director, APGENCO are requested to take action accordingly.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

B. SAM BOB,
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION

To

The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited,
Hyderabad.

The Managing Director, APGENCO, Hyderabad.

The Chief Executive Officer, M/s. Reliance Power Limited, Dhirubai Ambani
Knowledge city, North wing, I- Block, 2nd floor, Thane Belapur Road,
Koparkhairane, Navi Mumbai – 400 710 .

Copy to:

PS to Special Chief Secretary to Government, Energy Department.

PS to Principal Secretary to Chief Minister.

PS to Minister for Major Industries.

PS to Principal Secretary to Government & CIP., Industries & Commerce Department.

The Collector & District Magistrate, Nellore District.

Revenue (Assignments) Department

Revenue (Endowments) Department.

Energy (Power.I) Department.

Sf/Sc.

// FORWARDED :: BY ORDER //

SECTION OFFICER